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April 21, 2005

BY FACSIMILE TO (718) 260-2566

The Honorable Steven M. Gold
Magistrate Judge
United States District Court for the Eastern District of New York
225 Cadman Plaza East, Room 130
Brooklyn, New York 11201

FILED
IN CLERK'S OFFICE
U.S. DISTRICT COURT E.D.N.Y.
★ MAY 11 2005 ★

P.M. _____
TIME A.M. _____

Re: *Toyota Motor Sales, U.S.A., Inc., et al. v. Aliments Lexus, Inc., et al.*
Civil Action No. 02-0013 ~~(DGT)~~ (DGT)
Our Ref. 38779.171201

Dear Judge Gold:

Further to undersigned counsel's letter of April 14 on the status of settlement discussions, the parties are reporting further as requested. I have conveyed the terms of the proposal from Toyota to my client, and I am informed by my client that these terms are unacceptable. Counsel to the parties have discussed the matter, and it is our mutual belief that the parties' respective positions on settlement are too far apart to make further discussion worthwhile at this time, with or without the aid of third-party intervention. Accordingly, we respectfully thank the Court for its efforts in this regard.

Very truly yours,

Barbara L. (Pixie) Waite

BLW/mcm

cc: Alan S. Cooper (by facsimile)
DC21639163.3

3/25/05